

FISCAL IMPACT STATEMENT ON BILL NO. **H3034**

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TO:	The Honorable Harry F. Cato, Chairman, House Labor, Commerce and Industry Committee		
FROM:	Office of State Budget, Budget and Control Board		
ANALYSTS:	Allan Kincaid		
DATE:	February 6, 2007	SBD:	2007081

AUTHOR:	Representative Brady	PRIMARY CODE CITE:	48-52-690
SUBJECT:	Energy Efficiency Act		

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:
See Below

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:
See Below

BILL SUMMARY:

The proposed Bill amends the Code of Laws of South Carolina, 1976, by adding Section 48-52-690 to the South Carolina Energy Efficiency Act so as to require the application of "green building" or comparable standards to standards or measures of energy efficiency and energy conservation, with limitations to buildings of more than fifteen million dollars and exemptions of certain state-funded structures.

EXPLANATION OF IMPACT:

According to the State Engineer's and State Energy Offices of the Budget and Control Board, the requirements of the proposed Bill could increase construction costs of state building projects by approximately one percent. Based on the average construction costs of \$21.2 million for twenty-three projects over a five year period of time, there would be an additional cost of approximately \$212,000 per project. However, the increase in costs may be offset through energy savings. It is estimated there is a 30% reduction in cost per square foot for energy. Pending the number of projects and costs and the amount of energy savings, there would be a net savings in operating costs for agencies constructing buildings in accordance with this Bill.

LOCAL GOVERNMENT IMPACT:

None.

SPECIAL NOTES:

None.

Approved by:



Don Addy
Assistant Director, Office of State Budget